



DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-857]

Preliminary Results of Changed Circumstances Review: Antidumping Duty Order on Certain Softwood Lumber Products from Canada

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that GreenFirst Forest Products (QC) Inc. (GreenFirst QC) is the successor-in-interest to Rayonier A.M. Canada G.P. (RYAM) and, accordingly, that subject merchandise produced and/or exported by GreenFirst QC should be assigned the cash deposit rate established for subject merchandise produced and/or exported by RYAM for purposes of the antidumping duty order on certain softwood lumber products (softwood lumber) from Canada.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Zachary Shaykin, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2638.

SUPPLEMENTARY INFORMATION:

Background

On November 17, 2022, Commerce published the initiation of a changed circumstances review (CCR) on the antidumping duty order¹ of softwood lumber from Canada.² Commerce

¹ See *Certain Softwood Lumber Products from Canada: Antidumping Duty Order and Partial Amended Final Determination*, 83 FR 350 (January 3, 2018) (*Order*).

² See *Certain Softwood Lumber Products from Canada: Initiation of Antidumping Duty Changed Circumstances Review*, 87 FR 69004 (November 17, 2022) (*Initiation Notice*).

declined to combine the *Initiation Notice* with the preliminary results of the CCR,³ citing the need to issue an additional supplemental questionnaire to GreenFirst Forest Products Inc. (GreenFirst Forest Products) and its subsidiary, GreenFirst QC (collectively, GreenFirst), regarding GreenFirst QC's ownership and management, supplier base, and customer base.⁴ On December 16, 2022 and April 17, 2023, we issued supplemental questionnaires to GreenFirst requesting this information.⁵ On December 27, 2022 and April 24, 2023, GreenFirst timely responded to these supplemental questionnaires.⁶ On January 6 and 13, 2023, the Committee Overseeing Action for Lumber International Trade Investigations or Negotiations (COALITION) and GreenFirst submitted rebuttal and surrebuttal comments, respectively regarding GreenFirst's First Supplemental Response.⁷ No other interested party submitted comments or factual information regarding GreenFirst's request.

Scope of the Order

The products covered by the *Order* is softwood lumber from Canada. For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.⁸

Legal Framework

In determining whether one company is the successor-in-interest to another company as part of an antidumping duty proceeding, Commerce examines several factors including, but not limited to: (1) management and ownership; (2) production facilities; (3) supplier relationships;

³ See 19 CFR 351.221(c)(3)(ii).

⁴ See *Initiation Notice*.

⁵ See Commerce's Letters, "Investigation of Certain Softwood Lumber Products from Canada: Supplemental Questionnaire," dated December 16, 2022; and "Changed Circumstances Review of Certain Softwood Lumber Products from Canada: Second Supplemental Questionnaire," dated April 17, 2023.

⁶ See GreenFirst's Letters, "Softwood Lumber from Canada: Supplemental Questionnaire Response," dated December 27, 2022 (First Supplemental Response); and "Softwood Lumber from Canada: Second Supplemental Questionnaire Response," dated April 24, 2023.

⁷ See COALITION's Letter, "Certain Softwood Lumber Products from Canada: Comments on GreenFirst's Response to Supplemental Questionnaire," dated January 6, 2023; see also GreenFirst's Letter, "Softwood Lumber from Canada: Rebuttal Factual Information and Comments on Petitioner's January 6, 2023, Submission," dated January 13, 2023.

⁸ See Memorandum, "Decision Memorandum for the Preliminary Results of Changed Circumstances Review: Certain Softwood Lumber Products from Canada," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

and (4) customer base.⁹ Although no single, or even several, of these factors will necessarily provide a dispositive indication of succession, generally, Commerce will consider a company to be the successor-in-interest if its resulting operation is not materially dissimilar to that of its predecessor.¹⁰ Thus, if the “totality of circumstances” demonstrate that, with respect to the production and sale of the subject merchandise, the new company operates as essentially the same business entity as the prior company, Commerce will assign the successor-in-interest the cash deposit rate of its predecessor.¹¹

Preliminary Results of Review

We preliminarily determine that GreenFirst QC is the successor-in-interest to RYAM for purposes of the *Order*. Record evidence submitted by GreenFirst indicates that, based on the totality of the circumstances under Commerce’s successor-in-interest criteria, GreenFirst QC operates as materially the same business entity as RYAM with respect to the production and sale of subject merchandise. In particular, we preliminarily find that while the management structure is materially dissimilar under Greenfirst QC from RYAM, there were not substantial changes in ownership. In addition, we preliminarily find that GreenFirst’s production facilities, supplier relationships, and customer base with regard to the subject merchandise are substantially the same as RYAM’s before GreenFirst’s acquisition of RYAM’s lumber assets.

Therefore, based on record evidence, we preliminarily determine that GreenFirst QC is the successor-in-interest to RYAM, and the cash deposit rate assigned to RYAM should be the rate for GreenFirst QC as a result of this successor-in-interest finding. Should Commerce’s final results of review remain the same as these preliminary results of review, GreenFirst QC will be assigned the cash deposit rate currently assigned to RYAM with respect to the subject

⁹ See, e.g., *Ball Bearings and Parts Thereof from France: Final Results of Changed–Circumstances Review*, 75 FR 34688 (June 18, 2010), and accompanying Issues and Decision Memorandum (IDM) at Comment 1.

¹⁰ See, e.g., *Fresh and Chilled Atlantic Salmon from Norway: Final Results of Changed Circumstances Antidumping Duty Administrative Review*, 64 FR 9979, 9980 (March 1, 1999).

¹¹ *Id.*; see also *Brass Sheet and Strip from Canada: Final Results of Administrative Review*, 57 FR 20461 (May 13, 1992), and accompanying IDM at Comment 1.

merchandise (*i.e.*, 4.76 percent).¹² Therefore, we will instruct U.S. Customs and Border Protection to suspend liquidation of entries of softwood lumber from Canada produced and/or exported by GreenFirst QC, effective on the publication date of the final results, at the cash deposit rate for estimated antidumping duties assigned to RYAM.

For the complete successor-in-interest analysis, *see* the Preliminary Decision Memorandum. A list of topics discussed in the Preliminary Decision Memorandum is included as the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Public Comment

In accordance with 19 CFR 351.309(c)(1)(ii), interested parties may submit case briefs not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the due date for case briefs, in accordance with 19 CFR 351.309(d).¹³ Parties who submit case or rebuttal briefs are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁴

All comments are to be filed electronically via ACCESS and must be served on interested parties.¹⁵ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁶ An electronically

¹² *See Certain Softwood Lumber Products from Canada: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments*; 2020, 87 FR 48465 (August 9, 2022).

¹³ Commerce is exercising its discretion under 19 CFR 351.309(d)(1) to alter the time limit for the filing of rebuttal briefs.

¹⁴ *See* 19 CFR 351.30(c)(2) and (d)(2).

¹⁵ *See generally* 19 CFR 351.303.

¹⁶ *See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the day on which it is due.

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30 days of publication of this notice in the *Federal Register*. Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm the date and the time of the hearing two days before the scheduled date.

Final Results of Review

Consistent with 19 CFR 351.216(e), we intend to issue the final results of this CCR no later than 270 days after the date on which this review was initiated.

Notification to Interested Parties

This notice is published in accordance with sections 751(b)(1) and 777(i)(1) of the Tariff Act of 1930, as amended and 19 CFR 351.221(b)(4).

Dated: May 16, 2023.

Ryan Majerus,
Deputy Assistant Secretary for Policy and Negotiations.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Successor-in-Interest Determination
- V. Recommendation

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